



BUDGETING TO CORE INFLATION

Councilor John Eagleton
June 14, 2011

AESOP'S FABLES

The Ant and the Grasshopper

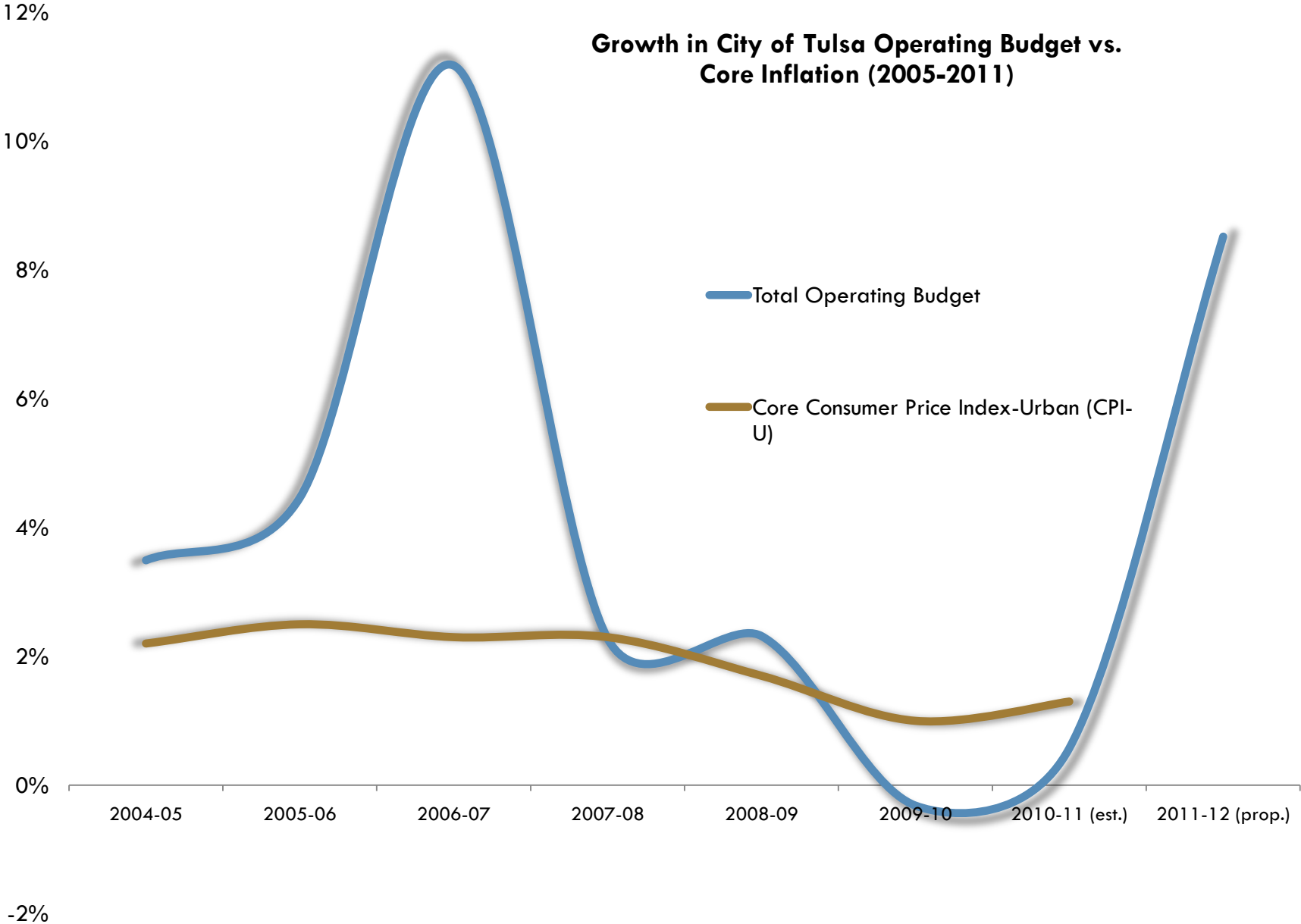


Prepare today for what you might need tomorrow.

MORAL

Prepare today
for what you
might need
tomorrow.

Growth in City of Tulsa Operating Budget vs. Core Inflation (2005-2011)



Wall Street Journal Article by Justin Lahart - 6/13/2011

THE WALL STREET JOURNAL.

WSJ.com

THE OUTLOOK | JUNE 13, 2011

What It Would Take to Do a Double Dip

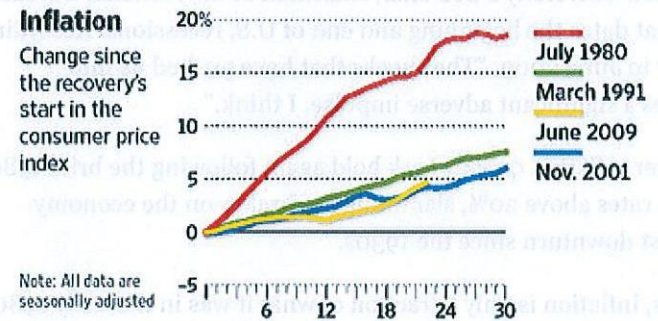
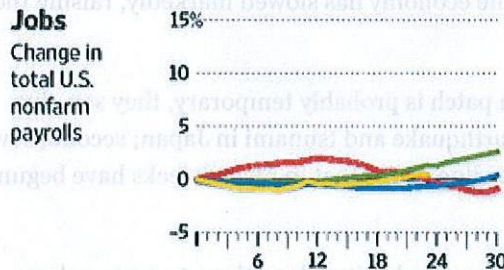
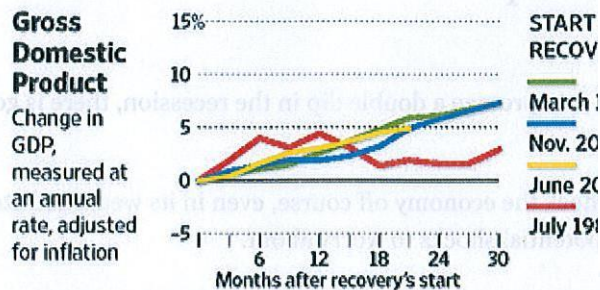
By JUSTIN LAHART

For those fretting that a string of disappointing U.S. economic data presage a double dip in the recession, there is good news and bad news.

The good news: It would probably take a significant shock to knock the economy off course, even in its weakened state.
The bad news: In the current environment there are plenty of potential shocks to worry about.

Tracking the Recovery

A comparison of three indicators in the current and earlier recoveries shows that they are moving in the right direction, but in the case of jobs, very slowly.



Sources: Commerce and Labor Departments via Federal Reserve Bank of Minneapolis (GDP and payrolls comparisons); Labor Department via Federal Reserve Bank of St. Louis (inflation)

Limit Growth to Core Inflation

General Fund Outlays by Department

Department	FY11 Original	FY12 Proposed	% Change FY11 to FY12	at 1.5% core inflation (or less if proposal is already below 1.5%)	Cuts from FY12 Proposal
Municipal Court	\$2,646,000	\$2,774,000	4.8%	\$2,685,690	(\$88,310)
Police	\$74,464,000	\$77,900,000	4.6%	\$75,580,960	(\$2,319,040)
Fire	\$56,328,000	\$60,813,000	8.0%	\$57,172,920	(\$3,640,080)
Information Technology	\$16,276,000	\$16,635,000	2.2%	\$16,520,140	(\$114,860)
Emergency Management	\$114,000	\$118,000	3.5%	\$115,710	(\$2,290)
Park & Recreation	\$8,928,000	\$8,717,000	-2.4%	\$8,717,000	\$0
Gilcrease Museum	\$2,742,000	\$2,784,000	1.5%	\$2,784,000	\$0
Performing Arts Center	\$2,258,000	\$2,243,000	-0.7%	\$2,243,000	\$0
River Parks	\$518,000	\$547,000	5.6%	\$525,770	(\$21,230)
Working In Neighborhoods	\$4,024,000	\$4,792,000	19.1%	\$4,084,360	(\$707,640)
Planning & Development Services	\$4,790,000	\$5,215,000	8.9%	\$4,861,850	(\$353,150)
Streets & Public Facilities	\$18,679,000	\$20,099,000	7.6%	\$18,959,185	(\$1,139,815)
Water & Wastewater	\$30,000	\$40,000	33.3%	\$30,450	(\$9,550)
Engineering Services	\$7,918,000	\$9,861,000	24.5%	\$8,036,770	(\$1,824,230)
Tulsa Transit	\$5,775,000	\$7,067,000	22.4%	\$5,861,625	(\$1,205,375)
Mayor's Office	\$982,000	\$1,007,000	2.5%	\$996,730	(\$10,270)
Human Rights	\$498,000	\$651,000	30.7%	\$505,470	(\$145,530)
Legal	\$2,774,000	\$3,010,000	8.5%	\$2,815,610	(\$194,390)
Human Resources	\$3,576,000	\$3,850,000	7.7%	\$3,629,640	(\$220,360)
City Auditor	\$923,000	\$1,107,000	19.9%	\$936,845	(\$170,155)
City Council	\$1,222,000	\$1,250,000	2.3%	\$1,240,330	(\$9,670)
General Government	\$2,139,000	\$2,637,000	23.3%	\$2,171,085	(\$465,915)
INCOG	\$879,000	\$948,000	7.8%	\$892,185	(\$55,815)
Finance	\$7,784,000	\$7,567,000	-2.8%	\$7,567,000	\$0
Communications	\$780,000	\$847,000	8.6%	\$791,700	(\$55,300)
TOTAL	\$227,047,000	\$242,479,000	6.8%	\$229,726,025	(\$12,752,975)